

**BEFORE THE
PUBLIC SERVICE COMMISSION
OF SOUTH CAROLINA**

**IN RE: Dominion Energy South Carolina,)
Incorporated's Request for Approval of an)
Expanded Portfolio of Demand Side)
Management Programs, and a Modified)
Demand Side Management Rate Rider)**

DOCKET NO. 2019-239-E

DIRECT TESTIMONY AND EXHIBIT OF

LISA V. PERRY

ON BEHALF OF

WALMART INC.

OCTOBER 23, 2019

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Exhibits

Exhibit LVP-1: Witness Qualifications Statement

1 Introduction

2 Q. PLEASE STATE YOUR NAME, BUSINESS ADDRESS, AND OCCUPATION.

3 A. My name is Lisa V. Perry. My business address is 2001 SE 10th St., Bentonville, AR
4 72716-0550. I am employed by Walmart Inc. as Senior Manager, Energy Services.

5 Q. ON WHOSE BEHALF ARE YOU TESTIFYING IN THIS DOCKET?

6 A. I am testifying on behalf of Walmart Inc. ("Walmart").

7 Q. PLEASE DESCRIBE YOUR EDUCATION AND EXPERIENCE.

8 A. I received a J.D. in 1999 and an LL.M. in Taxation in 2000 from the University of Florida
9 Levin College of Law. From 2001 to 2019, I was in private practice with an emphasis
10 from 2007 to 2019 in Energy Law. My practice included representing large
11 commercial clients before the utility regulatory commissions in Colorado, Texas, New
12 Mexico, Arkansas, and Louisiana in matters ranging from general rate cases to
13 renewable energy programs. I joined the energy department at Walmart in
14 September 2019 as Senior Manager, Energy Services. My Witness Qualifications
15 Statement is attached as Exhibit LVP-1.

**16 Q. HAVE YOU PREVIOUSLY SUBMITTED TESTIMONY BEFORE THE PUBLIC SERVICE
17 COMMISSION OF SOUTH CAROLINA ("COMMISSION")?**

18 A. No, this is my first time submitting testimony before the Commission.

**19 Q. HAVE YOU PREVIOUSLY SUBMITTED TESTIMONY BEFORE OTHER STATE
20 REGULATORY COMMISSIONS?**

21 A. Yes. I have previously submitted testimony in one proceeding before the Virginia
22 State Corporation Commission. Additionally, I have provided legal representation for

customer stakeholders before the state regulatory commissions for Colorado, Texas, Arkansas, Louisiana, and New Mexico in the cases listed under "Commission Dockets" in Exhibit LVP-1.

Q. ARE YOU SPONSORING ANY EXHIBITS IN YOUR TESTIMONY?

A. Yes. I am sponsoring the exhibit listed in the Table of Contents.

Q. PLEASE BRIEFLY DESCRIBE WALMART'S OPERATIONS IN SOUTH CAROLINA.

As shown on Walmart's website, Walmart operates 123 retail units and 4 distribution centers, and employs over 32,000 associates in the State of South Carolina. In fiscal year ending 2019, Walmart purchased \$1 billion worth of goods and services from 642 South Carolina-based suppliers, supporting over 33,000 supplier jobs.¹

Q. PLEASE BRIEFLY DESCRIBE WALMART'S OPERATIONS WITHIN THE DOMINION ENERGY SOUTH CAROLINA, INC.'S ("DESC" OR "COMPANY") SERVICE TERRITORY.

Walmart is a large commercial customer of DESC with 34 stores and related facilities that take electric service from the Company.

Walmart's Energy Efficiency Goals and Efforts

Q. HAS WALMART ESTABLISHED CORPORATE RENEWABLE ENERGY AND EMISSIONS GOALS?

A. Yes. Walmart has established aggressive and significant company-wide renewable energy goals, including: (1) to be supplied 50 percent by renewable energy by 2025,

¹ <http://corporate.walmart.com/our-story/locations/united-states#/united-states/south-carolina>

1 and, ultimately (2) to be supplied 100 percent by renewable energy.² Additionally,
2 Walmart has set a science-based target to reduce emissions in our operations by 18
3 percent by 2025 through the deployment of energy efficiency measures and the
4 consumption of renewable energy.³

5 **Q. WHAT MAKES WALMART A LEADER IN ENERGY EFFICIENCY?**

6 A. Walmart has made an operational and financial commitment to environmental
7 stewardship in many aspects of our business. Given the number of our facilities and
8 the advanced technology we employ, one of the most substantial impacts we can
9 make is on the level and efficiency of our energy use.

10 **Q. CAN YOU PROVIDE SPECIFIC EXAMPLES OF WALMART'S DEPLOYMENT OF ENERGY**
11 **EFFICIENCY AND DSM TECHNOLOGY?**

12 A. Walmart has deployed a number of technologies, including:

- 13 1) Our own advanced meters, which we have installed in approximately 400
14 facilities located across the United States with additional sites planned;
15 2) Daylight harvesting, in which lighting intensity automatically adjusts to the
16 amount of incoming daylight from skylights (along with Astro Clock, which
17 adjusts outdoor lighting);
18 3) Highly efficient heating, ventilation, and air conditioning ("HVAC") that
19 exceeds the most stringent energy code in the United States;

² <http://corporate.walmart.com/global-responsibility/environmental-sustainability>

³ <http://news.walmart.com/2016/11/04/walmart-offers-new-vision-for-the-companys-role-in-society>

- 1 4) White membrane roofs that lower cooling loads;
- 2 5) Heat reclamation from our refrigeration equipment to meet approximately
- 3 seventy percent of the hot water needs of our Supercenters;
- 4 6) Ongoing RLED and TLED initiatives that improve customer lighting and reduce
- 5 store energy consumption;
- 6 7) Active dehumidification that enables stores to operate at higher temperatures
- 7 and use less electricity;
- 8 8) Gas Unit Heat Controls to lock out the gas unit heater above 55°F;
- 9 9) Heat Reclaim Units to reclaim the waste heat from refrigeration to pre-heating
- 10 incoming building ventilation air;
- 11 10) Dual Cool Systems to pre-cool condenser inlet air and ventilation air when the
- 12 outdoor air temperature is greater than an adjustable value;
- 13 11) Installing night curtains on cases in order to keep cold air trapped in the case
- 14 by creating a barrier between the case and the store; and,
- 15 12) Use of Aerofoils to maintain the air curtain in an open-fronted refrigerated
- 16 case.

17 Additionally, all Walmart stores located in the United States are centrally monitored
18 through an energy management system that monitors and controls store
19 temperature, lighting, and refrigeration units. Through this system, Walmart has
20 implemented demand response commands and currently participates in
21 approximately 16 utility and Independent System Operator/Regional Transmission
22 Operator ("ISO/RTO") demand response programs nationwide.

Purpose of Testimony

Q. WHAT IS THE PURPOSE OF YOUR TESTIMONY?

A. The purpose of my testimony is to respond to DESC's request to seek approval of an expanded Demand Side Management Plan ("DSM Plan") and a modified Demand Side Management Rate Rider ("Request") filed with the Commission on June 28, 2019.

Q. DOES THE FACT THAT YOU MAY NOT ADDRESS AN ISSUE OR POSITION ADVOCATED BY THE COMPANY INDICATE WALMART'S SUPPORT?

A. No. The fact that an issue is not addressed herein or in related filings should not be construed as an endorsement of, agreement with, or consent to any filed position.

Company's DSM Plan and Programs

Q. WHAT IS YOUR GENERAL UNDERSTANDING OF THE COMPANY'S CURRENT DSM PLAN?

A. It is my general understanding that, as part of its current DSM Plan, the Company offers eight Demand Side Management programs ("DSM Programs"), six of which are for residential customers and two for commercial and industrial customers. See Direct Testimony of Therese Griffin, p. 8, lines 16-17.

Q. UNDER THE CURRENT DSM PLAN, ARE CERTAIN CUSTOMERS ABLE TO OPT OUT OF THE DSM PROGRAMS?

A. Yes. In addition to certain industrial customers, eligible non-residential customers who consume, on an annual basis, 1 million KWh or more in the prior calendar year

1 can opt out of the DSM Programs. See Direct Testimony of Allen Rooks, p. 10, lines
2 12-22, and p. 11, lines 1-8.

3 **Q. ARE THERE ANY OPT OUT LIMITATIONS FOR CUSTOMERS WHO HAVE PARTICIPATED**
4 **IN A DSM PROGRAM?**

5 A. Yes. It is my understanding that under the current DSM Plan, a customer who has
6 participated in a DSM Program cannot opt out of that program for five years. See *id.*,
7 p. 10, lines 8-11.

8 **Q. DOES THE COMPANY PROPOSE TO MAKE ANY CHANGES TO THIS FIVE-YEAR OPT-**
9 **OUT PROHIBITION PERIOD?**

10 A. Yes. The Company proposes to shorten this period from five years to three years in
11 order to align the opt-out prohibition with the amortization of the Company's DSM
12 costs. See *id.*, p. 10, lines 18-20.

13 **Q. WILL EXISTING CUSTOMERS WHO ARE CURRENTLY OPTED OUT BE REQUIRED TO**
14 **RENEW THEIR OPT-OUT NOTIFICATION?**

15 A. No. It is my understanding that the opt-out notifications currently in effect for non-
16 residential customers will continue in effect without anything additional from the
17 customer. See *id.*, p. 11, lines 5-9.

18 **Q. WHAT OTHER CHANGES ARE REQUESTED BY THE COMPANY TO ITS DSM PLAN?**

19 A. The Company is also seeking approval of two new programs, the Residential
20 Multifamily program and the Municipal LED Lighting program. See Direct Testimony
21 of Therese Griffin, p. 14, lines 16-19. Walmart does not take a position on residential
22 and municipal programs.

1 **Walmart's Opt-Out of DESC DSM Programs**

2 **Q. DOES WALMART PARTICIPATE IN THE COMPANY'S CURRENT DSM PROGRAMS?**

3 A. For the most part, no. All but one smaller Walmart location have opted out or are in
4 the process of opting out of the Company's current DSM Programs.

5 **Q. DOES WALMART PLAN TO CONTINUE OPTING OUT OF THE COMPANY'S DSM**
6 **PROGRAMS?**

7 A. Yes. As described above, Walmart is aggressively investing in and deploying energy
8 efficiency technologies in DESC's territory without program participation or
9 contribution from any other ratepayers. Walmart continues to believe that this is the
10 best strategy going forward in the Company's territory.

11
12 **Response to Company's Request to Change Opt-Out Prohibition Period**

13 **Q. DOES WALMART OBJECT TO THE CHANGES REQUESTED BY THE COMPANY TO THE**
14 **OPT-OUT PROHIBITION PERIOD?**

15 A. Walmart has no objection to the Company's request to shorten the opt-out
16 prohibition period from five years to three years.

17 **Q. DOES THIS CONCLUDE YOUR TESTIMONY?**

18 A. Yes.

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EXHIBIT LVP-1 OF

LISA V. PERRY

ON BEHALF OF

WALMART INC.

Lisa V. Perry

Senior Manager, Energy Services

Walmart Stores, Inc.

Business Address: 2001 SE 10th Street, Bentonville, Arkansas 72716

Business Phone: (479) 273-4238

EXPERIENCE

September 2019 – Present

Walmart Inc., Bentonville, AR

Senior Manager, Energy Services

November 2017 – September 2019

Oram & Houghton PLLC, Round Rock, TX

Of Counsel, Energy Law

February 2016 – November 2017

Ray Quinney & Nebeker, P.C., Salt Lake City, UT

Of Counsel, Energy Law

September 2007 – February 2016

Welborn, Sullivan, Meck & Tooley, P.C., Denver, CO

Partner, Energy Law

EDUCATION

2000 University of Florida Levin College of Law LL.M., Taxation

1999 University of Florida Levin College of Law J.D.

1996 University of South Florida B.A., Criminology

1993 University of South Florida B.A., Psychology

COMMISSION DOCKETS

2019

Public Utility Commission of Texas Docket No. 49421: Application of CenterPoint Energy Houston Electric, LLC for Authority to Change Rates. Issue: General rate case

Public Utility Commission of Texas Docket No. 49494: Application of AEP Texas Inc. for Authority to Change Rates. Issue: General rate case

Public Utility Commission of Colorado Docket No. 19AL-0268E: In the Matter of Advice Letter No. 1797 Filed by Public Service Company of Colorado to Reset the Currently Effective General Rate Schedule Adjustment (“GRSA”) as Applied to Base Rates for all Electric Rate Schedules as well as Implement a Base Rate kWh Charge, General Rate Schedule Adjustment-Energy (“GRSA-E”) to Become Effective June 20, 2019. Issue: General rate case, Phase I

2018

Public Utility Commission of Texas Docket No. 48371: Entergy Texas, Inc.'s Statement of Intent and Application for Authority to Change Rates. Issue: General rate case

Public Utility Commission of Colorado Docket No. 18M-0074EG: In the Matter of the Commission's Consideration of the Impact of the Federal Tax Cuts and Jobs Act of 2017 on the Rates of Colorado Investor-Owned Electric and Natural Gas Utilities. Issue: Commenced by the Commission to consider the impacts of the Tax Cut and Jobs Act of 2017 on the revenue requirements and rates of all Colorado investor-owned electric and natural gas utilities.

2017

Public Utility Commission of Texas Docket No. 47461: Application of Southwestern Electric Power Company for Certificate of Convenience and Necessity Authorization and Related Relief for the Wind Catcher Energy Connection Project in Oklahoma. Issue: Purchase of a wind generation facility and generation tie line.

Public Utility Commission of Texas Docket No. 47527: Application of Southwestern Public Service Company for Authority to Change Rates. Issue: General rate case

Public Utility Commission of Colorado Docket No. 17A-0462EG: In the Matter of the Application of Public Service Company of Colorado for Approval of a Number of Strategic Issues Relating to its Electric and Gas Demand-Side Management Plan. Issue: Seek Commission re-examination and approval of the overall objectives and structure of Public Service's DSM initiatives to guide the Company in designing future DSM plans.

Public Utility Commission of Colorado Docket No. 17AL-0649E: In the Matter of Advice Letter No. 1748-Electric Filed by Public Service Company of Colorado to Revise its PUC No. 8-Electric Tariff to Implement a General Rate Schedule Adjustment and Other Rate Changes Effective on Thirty Days' Notice. Issue: General rate case, Phase I

Arkansas Public Service Commission Docket No. 17-038-U: In the Matter of the Application of Southwestern Electric Power Company for Approval to Acquire a Wind Generating Facility and to Construct a Dedicated Generation Tie Line. Issue: Purchase of a wind generation facility and generation tie line.

Louisiana Public Service Commission Docket No. U-34619: Application for Expedited Certification and Approval of the Acquisition of Certain Renewable Resources and the Construction of a Generation Tie Pursuant to the 1983 and/or 1994 General Orders. Issue: Purchase of a wind generation facility and generation tie line.

2016

Public Utility Commission of Colorado Docket No. 16AL-0048E: In the Matter of Advice Letter No. 1712-Electric Filed by Public Service Company of Colorado to Replace Colorado PUC No. 7-Electric Tariff with Colorado PUC No. 8-Electric Tariff. Issue: General rate case, Phase II

Public Utility Commission of Colorado Docket No. 16A-0055E: In the Matter of the Application of Public Service Company of Colorado for Approval of its Solar*Connect Program. Issue: Implement a voluntary solar program offering participating customers the ability to offset their current supply of energy from the Public Service system with solar energy produced at a dedicated facility or facilities.

New Mexico Public Regulation Commission Docket No. 16-00276-UT: In the Matter of the Application of Public Service Company of New Mexico for Revision of its Retail Electric Rates Pursuant to Advice Notice No. 533. Issue: General rate case

FILED TESTIMONY

2019

State Corporation Commission for the Commonwealth of Virginia Docket No. PUR-2019-00094: Application of Virginia Electric and Power Company for Approval of a 100 Percent Renewable Energy Tariff, Designated Rider TRG, Pursuant to §§ 56-577 A 5 and 56-234 of the Code of Virginia. Issue: Seek approval of a 100 percent renewable energy tariff.

INDUSTRY TRAINING

2016 Western NARUC Utility Rate School

EUCI Courses on the utility industry, cost allocation, and rate design.